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COMPLETE THIS SECTION ON DELIVERY
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Re: Question about Minex EA? Leah Butler to: Brian J. Stonebrink
Co: "Harry Hendler", Dawn Richmond

07/17/2009 04:22 PM

Hi Brian,

Minex actually owns the tailings that are currently on "BLM-administered" lands at the Ambrosia Mill Site. If Minex transfer the tailings to the Superfund Site and exacerbates existing contamination or contributes additional contamination, Minex could be subjected to Superfund liabilities.

BLM would not become the lead agency for the Superfund Site under any scenarios that I can think of. However, they are the lead agency responsible for cleanup of the Ambrosia Mill Site (as far as I can tell).

Leah Butler EPA Region 9 75 Hawthorne Street, SFD-6-2 San Francisco, CA 94105 (415) 972-3199 butler.leah@epa.gov

"Brian J. Stonebrink"

Leah,

07/17/2009 04:05:39 PM

From:

"Brian J. Stonebrink" <Stonebrink.Brian@azdeq.gov>

To:

Leah Butler/R9/USEPA/US@EPA

Cc:

"Harry Hendler" <Hendler.Harry@azdeq.gov>

Date: Subject: 07/17/2009 04:05 PM Question about Minex EA?

Leah,

If BLM allows the 150,000 tons of manganese tailings to be processed at the Kuhles property at Iron King and it contributes to the contamination at the site; would BLM be the lead agency even though this site is within the Iron King Mine NPL boundary?

Brian Stonebrink Federal Projects Unit ADEQ

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. - -- --- - . . .

Fw: EPA correspondence

Leah Butler to Michele Benson, Kim Muratore, Dawn Richmond

07/28/2009 04:39 PM

Leah Butler **EPA Region 9** 75 Hawthorne Street, SFD-6-2 San Francisco, CA 94105 (415) 972-3199 butler.leah@epa.gov

--- Forwarded by Leah Butler/R9/USEPA/US on 07/28/2009 04:38 PM -----

From:

"Joseph Fahey" <ppfahey@oxide-ores.com> Leah Butler/R9/USEPA/US@EPA 07/28/2009 04:18 PM

To:

Date:

Subject:

RE: EPA correspondence

Dear Leah:

I am in receipt of your letter dated 7/28/2009. Today I have informed Kuhles Capital, LLC we will not be renewing our lease, which expires Oct. 31 2009. I look forward to meeting you during the week of August 17. When we receive the questionnaire we will reply promptly.

Regards. Joe Fahey Minex, LLC

----Original Message----

From: Butler.Leah@epamail.epa.gov [mailto:Butler.Leah@epamail.epa.gov]

Sent: Tuesday, July 28, 2009 10:43 AM

To: Joseph Fahey

Subject: EPA correspondence

Mr. Fahey -

Attached is a letter that you should receive in the mail shortly. This letter reiterates what we discussed over the phone in regards to the need for Minex to conduct it's operations in controlled and monitored manner.

Later this week, or perhaps next week, you will receive another letter from EPA that contains a questionnaire. The questionnaire is a standard process by which EPA gathers information from current and past owners and operators at Superfund Sites and from other individuals that may have useful information. Your responses to this questionnaire, in combination with the August site visit, will greatly assist me in understanding Minex's operations. Please do not hesitate to call if you have questions about either letter.

Regards,

Leah Butler EPA Region 9 75 Hawthorne Street, SFD-6-2 San Francisco, CA 94105 (415) 972-3199 butler.leah@epa.gov

(See attached file: 07 28 09 minex.pdf)



Fw: Ambrosia Manganese Mill Site Inspection Rpt Leah Butler to: Kim Muratore

07/17/2009 01:32 PM

for your records.

---- Forwarded by Leah Butler/R9/USEPA/US on 07/17/2009 01:32 PM -----

From:

"Brian J. Stonebrink" <Stonebrink.Brian@azdeq.gov>

To:

Leah Butler/R9/USEPA/US@EPA

Date: Subject: 07/17/2009 01:23 PM FW: Ambrosia Manganese Mill Site Inspection Rpt

Leah.

Enclosed is the narrative and XRF data from the Ambrosia site inspection report. I did not include the TCLP data since it is bogus. The site pictures also did not come out very well.

What is interesting is the fact that Minex has already been taking tailings to the Kuhles Capital facility. (~800 tons). The sorting involves removing nails, vegetation, rocks, etc. from the manganese tailings.

Peter Jagow also did most of the inspections for the NOVs issued at the Humboldt Smelter and Iron King Mine. He was telling me where most of the hot spots and bad drainage areas were.

I am currently going through his files to learn more.

Brian Stonebrink, PM Federal Projects Unit ADEQ

20090717132207684.pdf



ENVIRONMENTAL QUALITY

1110 West Washington Street • Phoenix, Arizona 85007 (602) 771-2300 • www.azdeq.gov



Patrick J. Cunningham Acting Director

June 16, 2009

Joseph P. Fahley Minex, LLC P.O. Box 279 Humboldt, Arizona 86329

Re: Inspection of the Ambrosia Manganese Mill Site, Watershed: Middle Gila, Insp. ID: 141623

Dear Mr. Fahley:

Enclosed is an inspection report prepared by the Arizona Department of Environmental Quality (ADEQ) Water Quality Field Services Unit (WQFSU) concerning the inspection of the above referenced location on May 29, 2009. The inspection was conducted pursuant to the Arizona Revised Statutes (A.R.S.) § 49-203(B)(1) et. seq., and with Arizona Administrative Code (A.A.C.) R18-9-110(A). No further action will result from this inspection.

Please note the enclosed Inspection Report.

ADEQ is the State of Arizona Department authorized to enforce the provisions of the Federal Clean Water Act (CWA), including the National Pollutant Discharge Elimination System (NPDES) and Arizona Pollutant Elimination System (AZPDES) Storm Water Permit.

ADEQ thanks you for your efforts in protection of the public health and the environment.

Sincerely.

Peter Jagow

Water Quality Field Services Unit

Cc: James Dall, Vice President, Minex, LLC

Matt Plis, Lead Geologist, BLM

Northern Regional Office 1801 W. Route 66 • Sulte 117 • Flagstaff, AZ 86001 (928) 779-0313 Southern Regional Office 400 West Congress Street • Suite 433 • Tucson, AZ 85701 (520) 628–6733

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ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY WATER QUALITY DIVISION - COMPLIANCE SECTION Water Quality Field Services Unit

INSPECTION REPORT AMBROSIA MANGANESE MILL SITE

Owner/Operator:

Minex, LLC

AZPDES ID:

None

Inspected by:

Peter Jagow, Environmental Program Specialist (EPS), Water Quality

Field Services Unit (WQFSU)

Inspection No:

141623

Place ID:

13490

Inspection Date:

May 29, 2009

Inspection Time:

1:30 am

Industrial Activities: Metal Mining

TOTAL INITIME

Accompanied by:

James Dall, Vice President, Minex, LLC

Fred Brost, P.E. President, Mining & Environmental Consultants, Inc. Matt Plis, Lead Geologist, Bureau of Land Management (BLM)

Steven Cohn, Hassayampa Field Office Manager, BLM

Watershed:

Gila River/Aqua Fria

Receiving Waters:

Tiger Wash

Lat:

33° 48' 00.8987"

Long:

113° 11' 00.065"

FACILITY DESCRIPTION

The Ambrosia Manganese Mill Site (here after referred to as the site) is located on BLM property at the Microwave Road and Eagle Eye Road intersection, approximately 10 miles south of Aquila, Arizona in Maricopa County. There are two containment dikes with unlined basins

located on the site. The initial interior containment dike was constructed with materials from mine tailings and the secondary exterior containment dike was constructed from earthen fill material.

Tiger Wash is the receiving water for this facility and serves as a tributary to Centennial Wash which serves as a tributary to the Gila River (a Water of the U.S.). Please see the enclosed Topographic Map and 2008 Aerial Photograph.

Minex, LLC purchased the mine tailings located on the aforementioned property from another private company as personal property in 1994. The previously referenced mine tailings were not designed, constructed, and operated by Minex, LLC prior to their purchase in 1994. From January through May 2008, Minex, LLC removed approximately 800 tons of finely milled stockpiled manganese ore from the site and hauled the material to its (leased) processing facility on private land (Kuhles Capital, LLC) at the Iron King Mine site in Humboldt, Arizona.

The on-site surface and mineral estates for this site are managed by the Bureau of Land Management (BLM). On October 19, 2007, Minex, LLC filed its Plan of Operations for the removal of the mine tailings from this site with the BLM. Minex, LLC has proposed to remove approximately 150,000 tons of manganese tailings from an estimated 22 acre site and also plans to operate on parts of three federal placer claims which total approximately 60 acres.

BLM SUBMITTALS

During the inspection, Matt Plis provided the WQFSU with the enclosed BLM October 28, 2009 Inspection Report and April 1, 2009 Inspection Report which includes XRF analytical results for 16 samples collected from the site.

MINEX, LLC SUBMITTALS

During the inspection, Fred Borst, President, Mining & Environmental Consultants, Inc. and James Dall, Vice President, Minex, LLC provided the WQFSU with the enclosed Columbia Analytical Services results of (TCLP's for 8 RCRA Metals) analyses for 11 samples collected on May 21, 2008 from the land surface behind both of the containment dikes located on the site.

On June 4, 2009 James Dall sent the enclosed Sampling Procedures for the TCLP Analysis Report, U.S. Army Corps of Engineers 404 Permit Determination, and the Storm Water Pollution Prevention Plan (SWPPP) for this project via e-mail to the WQFSU.

On June 4, 2009 Jerry Haggard PC for Minex, LLC sent the enclosed request for expedition along with his statements which pertain to the applicability of Arizona Revised Statutes for the Minex, LLC project site.

WATER QUALITY PERMIT BACKGROUND

Minex, LLC does not have coverage for storm water discharges associated with its active mining activities under the NPDES Multi-sector General Permit (MSGP). The Arizona Department of Environmental Quality (ADEQ) is not currently accepting Notices of Intent (NOI) for the MSGP and has not authorized a new MSGP. However, ADEQ anticipates issuing a new AZPDES MSGP later this year for storm water discharges associated with industrial activities.

At the time of the inspection, Minex, LLCC did not have an Aquifer Protection Permit (APP).

FIELD OBSERVATIONS

On May 29, 2009, the WQFSU observed evidence of discharged milled manganese tailings from breached containment dikes leading to the Tiger Wash. Please see the enclosed Photos # 1, #2, #3, #4, #5, #6, and #7 and the 2008 Aerial Photo. In addition, the WQFSU observed evidence of where approximately 600 cubic feet or 300 tons of the discharged milled manganese tailings from the breached dikes had been excavated and stockpiled behind the secondary exterior containment dike by Minex, LLC during April 2009. The WQFSU also observed evidence of where approximately 800 tons of the finely milled manganese ore was removed from behind the initial interior containment dike by Minex, LLC during January through May 2008. The WQSFU additionally, observed evidence of where the milled manganese tailings had been excavated from outside of and along the east boundary fence and stockpiled inside of the east boundary fence during April 2009. Please see the enclosed Photos #8 and #9. The WQFSU observed evidence of discharged mine tailings runoff from large mine tailings stockpiles located within the site into a small ephemeral drainage (arroyo) along the outside east boundary fence as well. Furthermore, the WQFSU observed evidence of the aforementioned discharged runoff mine tailings in the ephemeral arroyo channel to be conveyed via (northwest) flows back onto the site property and ultimately into the basin located behind the secondary exterior containment dike. Please see the enclosed Photos # 10, #11, #12, #13, and #14.

RECOMMENDATIONS

Given the close proximity of this site to Tiger Wash, Minex, LLC should properly stabilize and contain the mine tailings created and stockpiled on the site to prevent and eliminate the discharge of pollutants off site and to all watercourses.

Please consider utilizing the following range of erosion controls as needed for this project site:

Flow Diversions (e.g., swales);

Stabilization (e.g., temporary or permanent seeding);

and Structural Controls (e.g., sediment traps, dikes or silt fences).

COMPLIANCE SUMMARY

Based upon the WQFSU's review, the Columbia Analytical Services method detection limits utilized for the TCLP RCRA metal samples collected and submitted by Minex, LLC were insufficient to determine compliance with the enclosed A.A.C. R18-11-406. Numeric ADEQ Aquifer Water Quality Standards: Drinking Water Protected Use (B).

NO FURTHER ACTION WILL BE TAKEN BY ADEQ AT THIS TIME



Karl Ford/NOC/BLM/DQI 04/06/2009 09:31 AM To Daniel J Moore/TFO/AZ/BLM/DOI@BLM. Matthew Plis/PDO/AZ/BLM/DOI@BLM, Carl Persson/YFO/AZ/BLM/DOI@BLM, William L

CC

bec

Subject XRF Analytical Results

All,

Attached are the XRF analytical results for Olivetta/Dogtown, Minex and Red Cloud from our sampling last week (note tabs). Each of you has a sample location to go with the sample number. I have included the BLM Risk Management Criteria for Mining Sites and Arizona Nonresidential SRLs for comparison. Because the intent of the first two projects was preliminary reconnaisance of the waste sources, we collected limited background samples. More were collected for Red Cloud as it was more of a CERCLA site characterization. I will send you each some observations/recommendations separately this week.



Alizona02xis

Karl L. Ford, Toxicologist and Remediation Advisor Branch of Environmental Compliance Division of Resource Services National Operations Center - BLM Phone: 303-236-6622

Phone: 303-236-6622 Fax: 303-236-3508

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Data for Minex LLC site, AZA-34334

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621	4/1/2009 10:38 ppm	m1	215	< LOD 🗟	22625	< LOD	230	234	295	67624	14 P. 188
622	4/1/2009 10:53 ppm	m2	163	< LOD	型 860 .	< LOD	301	134	191	69430	62303
623	4/1/2009 10:59 ppm	m3	151	< LOD 🖥	\$12059	< LOD	270	153	445	69648 🞘	292355
624	4/1/2009 11:04 ppm	m4	73	< LOD 🕏	是25.924	< LOD	154	< LOD	123	40859 🕃	61864
625	4/1/2009 11:09 ppm	m5	16	< LOD	18	< LOD	< LOD	< LOD	< LOD	14493	2707
626	4/1/2009 11:13 ppm	m6	79	< LOD	< LOD	< LOD	67	< LOD	< LOD	880784	5605
627	4/1/2009 11:14 ppm	m7	<i>7</i> 7	< LOD	< LOD	< LOD	< LOD	< LOD	610	1579271	6512
628	4/1/2009 11:17 ppm	m8	15	< LOD ;	38	< LOD	46	< LOD	< LOD	34836	3551
630	4/1/2009 11:34 ppm	m9	178	< LOD	784	< LOD	153	< LOD	204	53874	60692
631	4/1/2009 11:40 ppm	m10	94	< LOD 🕺	343	< LOD	181	< rod	129	49451	21580
632	4/1/2009 11:42 ppm	m11	152	< LOD 🖔	105	< LOD	204	< LOD	201	61918 🚉	71193
633	4/1/2009 11:44 ppm	m12	107	ِ LOD ۽ُ	957	< LOD	219	< LOD	184	55279	35317
634	4/1/2009 11:49 ppm	m13	187	< LOD ∰	126	< LOD	303	195	358	89045	124809
635	4/1/2009 11:50 ppm	m14	204	< LOD ∯	2314	< LOD	295	308	469	77821 🎘	226849
636	4/1/2009 11:52 ppm	ភា15	268	< FOD ∰	2250	< LOD	355	238	485	105237	289424
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Camper RMC			1000	700	20	40	40000	5000	2700		19000
Arizona Non-residential SRLs			800	5100	10	310	310000	41000	20000		32000



minex info from blm . Leah Butler to: Kim Muratore

07/27/2009 12:29 PM

info about minex, FYI.

---- Forwarded by Michael J Rice/HFO/AZ/BLM/DOI on 07/27/2009 11:25 AM ----

Michael J Rice/HFO/AZ/BLM/DOI

To "EIAC" <EIAC@dhaz.gov>

CC

07/13/2009 10:47 AM

Subject Re: Minex Aguila ProjectLink

Dear Ms. deFrance:

In response to your inquiry, please note that the mining claims and Plan of Operation are in the name of MINEX, LLC. MINEX, LLC, file number R08012557, is listed as a separate entity with the Corporation Commission and is the entity who submitted the proposal to the BLM. Whether MINEXCO, LLC, whose address is P.O. Box, Humboldt, Az, or other similarly named companies are affiliated with MINEX, LLC is not known to the BLM.

Regards,

Michael Rice - Geologist BLM Phoenix District Hassayampa Field Office 21605 North 7th Avenue Phoenix, Arizona 85027 Phone: 623-580-5646

Fax: 623-580-5580

E-mail: Michael_Rice@blm.gov

"EIAC" <EIAC@dhaz.gov>

07/10/2009 04:07 PM

To <Michael_Rice@blm.gov>

CC

Subject Minex Aguila Project

Hi Mike,

I left you a voicemail, but thought I would send an email as well as sometimes my phone line is tied up for hours due to my internet.

I am wondering which of the 4 corporations with "Minex" in the title on the AZ Corp Commission site is the one referred to in the proposal as "Minex LLC"? Having the corporate address or the number from the AZ Corp Commission would clear that up. Thank you,

Treesha deFrance, Chair

Town of Dewey-Humboldt Environmental Issues Advisory Committee



minex info Leah Butler to: Kim Muratore

07/14/2009 09:06 AM

Kim,

The information about Minex's project is described in the attached Environmental Assessment. BLM sent this to me for review and comment.

It can be reached at the following URL: http://www.blm.gov/az/st/en/fo/hassayampa_field_office.html

-Leah

Miney Agila Brainet

Minex Agila Project EA.pdf



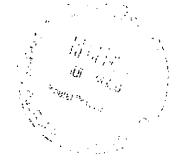
United States Department of the Interior

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Phoenix, Arizona 85027
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In Reply Refer To: 3809 (P010) AZA-34334



CERTIFIED MAIL - RETURN RECEIPT REQUESTED NO. 7008 0150 0000 7738 6644

Environmental Protection Agency Attention: Ms. Leah Butler Mail Code SFD82 75 Hawthorne Street San Francisco, California 94105

Dear Ms. Butler:

This letter is to formally notify you that on June 11, 2009, the Bureau of Land Management (BLM) posted on-line National Environmental Policy Act (NEPA) Environmental Assessment (EA) number AZ-210-2008-011. This EA is related to Mining Plan of Operations (MPO) AZA-34334, submitted by Minex, LLC (Minex), for a proposed mining operation on BLM-administered lands. Pursuant to 43 CFR 3809.411(c), the BLM is soliciting public comments on the MPO through the NEPA document.

The site of the Proposed Action is the old Ambrosia Mill site, located along Eagle Eye Road, approximately 10 miles south of Aguila, in Maricopa County, Arizona. Minex plans to excavate and remove from the site approximately 150,000 tons of manganese mill tailings, over a 13-year period, for processing on private lands offsite. The tailings were originally placed onsite when the mill last operated in the 1950s and 1960s.

In April 2009, X-Ray Fluorescence sampling by the BLM found arsenic and manganese levels in the stockpiles onsite to be significantly above the Arizona non-residential Soil Remediation Levels and the BLM's Risk Management Criteria. Accordingly, the public would continue to be excluded from the site, through the use of an existing fence and warning signs or other appropriate means, until reclamation is complete.

The EA can be viewed by following the related link posted at the following web address: http://www.blm.gov/az/st/en/fo/hassayampa_field_office.html

All comments must be received, in writing, in our office by July 31, 2009. Comments on these documents may be made through the following four means (please do not send duplicates):

1. E-mail comments to: Michael_Rice@blm.gov

2. Mail To the address in the letterhead

3. Hand Delivery: At the address in the letterhead
(Business Hours are Monday through Friday, 7:30 a.m. to 4:15 p.m.)

4. Facsimile: Fax comments to 623-580-5580

Please reference AZA-34334 EA, AZ-210-2008-011 EA, or Minex Aguila Project EA in your comments. Consideration will be given to those comments that are received, and responses will be prepared as warranted. Contact Geologist Mike Rice, at 623-580-5646, with any questions. Thank you.

Sincerely,

Steven Cohn Field Manager